

The sample document is not a contract, agreement or policy of insurance - only an issued and signed policy from the insuring entity is the agreement of the issuing company.

AGREEMENT

We shall provide the insurance described in this policy for the coverages and the limits of liability shown in the Declarations of this policy. In return you will pay the premium and comply with policy conditions.

PART I - DEFINITIONS

In this policy, "you" and "your" mean the "named insured" in the Declarations and spouse if a resident of your household. "We," "us" and "our" mean the FARMERS INSURANCE EXCHANGE.

Other words are defined as follows:

1. **Aircraft** - means any device used or designed for flight including self-propelled missiles and spacecraft, except model or hobby aircraft not used or designed to carry people or cargo.
 2. **Auto** - means a land motor vehicle, trailer or semi-trailer, including farm tractor, trailer and implements.
 3. **Bodily Injury** - means bodily harm to, sickness or disease of any person. This includes death, shock, mental anguish or mental injury that result from such bodily harm, sickness or disease.
 4. **Business** - means any part-time or full-time trade, profession or occupation.
 5. **Business property** - means:
 - a. property, including personal property and **real property**, with which a business is conducted; or
 - b. property rented or held for rental, in whole or in part, to others.
 6. **Damages** - means the total of damages that the **insured** must pay (legally or by agreement with our written consent) because of **bodily injury, personal injury or property damage** caused by an **occurrence** covered by this policy, and reasonable expenses incurred by the insured at our request.
 7. **Insured** - means:
 - a. you and the following residents of your household except as respects **autos** and **watercraft**:
 - (1) your **relatives**; and
 - (2) any person under age 21 in the care of a person named above.
 - b. as respects **autos** and **watercraft**,
 - (1) any person using (with a reasonable belief that the person is entitled to use) a **watercraft** owned by, loaned to or hired for use by you or on your behalf;
 - (2) you and any person in 7.a. (1) and (2) above, using **autos** (with a reasonable belief that they are entitled to do so) not owned by you or furnished for your regular use; or
 - c. any trustee of your estate or living trust while acting within the scope of their duties as such; but only to the extent that **underlying insurance** provides coverage for a loss at the full limits shown.
- None of the following are **insureds**:
- a. the owner or lessee (or their agents or employees) of any **auto** or **watercraft** loaned to or hired for use by you or any person named in "a. (1)" and "a.(2)" above or on your or their behalf;
 - b. any person (other than those described in "a. (1)" and "a. (2)" above) using **autos** or **watercraft** while employed or engaged in the **business** of selling, servicing, repairing, maintaining, parking, docking, mooring or storing **autos** or **watercraft**, and any person (other than those described in "a. (1)" and "a (2)" above) or organization as respects acts or omissions of the person so employed or engaged.
 - c. any person (other than those described in "a. (1)" and "a. (2)" above) using an **auto** (without reasonable belief that they are entitled to do so) owned by, loaned to or hired for use by you or on your behalf.
8. **Occurrence** means:
 - a. with regard to **bodily injury** or **property damage**, an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in **bodily injury** or **property damage** during the **policy period**; or
 - b. with regard to **personal injury**, offenses committed during the policy period, even if the resulting injury takes place after the policy expires.
 9. **Policy period** means the time between the effective date and the expiration date as shown on the Declarations. In the event of cancellation, the effective date of cancellation shall become the expiration date of the policy and the **policy period** will be amended accordingly.
 10. **Personal Injury** means injury arising out of:
 - a. false arrest, wrongful detention or imprisonment, or malicious prosecution;
 - b. wrongful eviction, wrongful entry, or invasion of the right of private occupancy; or
 - c. libel, slander, defamation of character or invasion of privacy.
 11. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste materials. Waste materials include those which are intended to be or have been recycled, reconditioned or reclaimed.
 12. **Property damage** means:
 - a. Physical injury to or destruction of tangible property. This includes all resulting loss of use caused by such physical injury or destruction. All such resultant loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to have occurred at the time of the **occurrence** that caused it.
 13. **Real Property** - means land owned as property, along with natural resources and permanent structures located on the land.
 14. **Recreational Vehicle** - means a self propelled land vehicle designed for use off public roads.
 15. **Relatives** means persons living with you who are related to you by blood, marriage or adoption.
 16. **Residence premises** means the family dwelling and separate structures or that part of any other building where you reside, including the grounds on which the dwelling and separate structures are located.
 17. **Retained limit** - means the greater of:
 - a. the total limits of liability of any **underlying insurance** providing coverage for **damages** as the result of an **occurrence**;
 - b. the underlying limits shown in item 3. of the Declarations, which are the minimum to be maintained by you for required **underlying insurance**; or
 - c. the amount shown in the Declarations as "self-insured retention."
 18. **Underlying insurance** - means the insurance scheduled in the Declarations.
 19. **Watercraft** - means any craft, boat or vessel designed to transport persons or property on water.

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PART II - COVERAGE

If a claim is made anywhere in the world against any **insured**, we will, subject to definitions, exclusions, terms and conditions of this insurance, pay **damages** caused by an **occurrence** in excess of the **retained limit** on the **insured's** behalf. The amount of **damages** we pay will not exceed our Limit of Liability as explained in "Part IV - Limits of Liability." We will defend any **insured** for any claim or suit that is covered by this insurance but not covered by other insurance as described in "Part VI - Defense of Suits Not Covered By Other Insurance." If a claim or suit is made for **damages** excluded from coverage under this policy, we have no obligation to defend such claim or suit.

Once our limit of liability has been exhausted by payment, our obligations under this policy including any duty to defend are deemed completed and no further coverage continues beyond the date on which such payment is made.

Any expense we incur as the result of providing a defense or settling a claim or suit outside the United States of America (including its territories or possessions) or Canada will be part of and not in addition to the limit of liability. Our obligation to defend any claim or suit ends when the amount for net loss we pay equals our limit of liability. In countries other than the United States of America (including its territories or possessions) or Canada, where we cannot handle the case ourselves, we will advance the cost for someone else to handle the settlement or defense, if we have given that person our written consent.

PART III - EXCLUSIONS

We do not cover **damages**:

1. Payable to a person eligible for payments voluntarily provided by any **insured** or required to be provided under a workers' compensation, unemployment compensation, non-occupational disability benefits law, occupational disease law or any similar law.
2. Arising out of any **insured's** ownership, maintenance, use, chartering, operation, loading or unloading, entrustment to others or supervision of any **aircraft**; or arising out of vicarious parental liability, whether or not statutorily imposed, or the actions of a minor child using such aircraft.
3. Arising out of the rendering of or failure to render professional services by or on behalf of any **insured**.
4. Either expected or intended from the standpoint of an **insured**. This exclusion does not apply to **damages** for **bodily injury** if such **insured** acted with reasonable force to protect persons or property.
5. Arising out of **business** or **business property** of an **insured** unless covered by **underlying insurance** described in the Declarations. Our coverage is no broader than the **underlying insurance**, except for our Limit of Liability.
6. Arising from the ownership operation, maintenance, use, entrustment to others, chartering, loading or unloading of:
 - a. **watercraft**
 - (1) 26 feet or more in overall length; or
 - (2) powered by an inboard or inboard-outdrive motor(s) having more than 50 horsepower; or
 - (3) powered by one or more an outboard motors with more than 25 total horsepower; or
 - b. personal **watercraft**, jet ski, jet sled, wet bike or similar waterjet-driven craft under 12 feet in length, operated by a person standing, sitting or kneeling on the craft, and used for recreational purposes.This exclusion does not apply:
 - a. for newly acquired **watercraft**, obtained during the policy period, if we are informed within 30 days after the **watercraft** is obtained and an additional premium is paid to us; and
 - b. if such damages are covered by **underlying insurance** scheduled in the Declarations of this policy. Our coverage is no broader than the **underlying insurance**, except for our Limit of Liability.
7. For **property damage** to:
 - a. property owned by any **insured**;
 - b. **autos, aircraft, recreational vehicle or watercraft** rented to, chartered, used by, or in the care, custody or control of any **insured**; or
 - c. property rented to, used or occupied by, or in the care, custody or control of any **insured** or for which any **insured** has agreed to provide insurance.
8. For which an **insured** under this policy is also an **insured** under a nuclear energy liability policy or would be an **insured** but for exhaustion of its limits of liability. A nuclear liability policy is a policy issued by American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors.
9. Arising out of any act, error or omission of an **insured** while serving as a member of a corporation's or organization's board of directors or as an officer of a corporation or organization. This exclusion does not apply if such corporation or organization:
 - a. Was formed as a not-for-profit organization;
 - b. Does not involve an **insured's business**; and
 - c. Such **insured** serves without remuneration other than for incidental out-of-pocket expenses.
10. Due to discrimination in any way connected with a violation of any State, Federal or local governmental Civil Rights law.
11. For benefits payable to you or any other **insured** under any No-Fault, Uninsured or Underinsured Motorist Law.
12. Resulting from transmission of a communicable disease by any **insured**.
13. Arising out of home care services provided to any person on a regular basis (meaning more than 20 hours per week) by or at the direction of:
 - a. any **insured**;
 - b. any employee of any **insured**; or
 - c. any other person actually or apparently acting on behalf of any **insured**.This exclusion does not apply if such **damages** are covered by **underlying insurance** scheduled in the Declarations of this policy. Also, this exclusion does not apply to:
 - a. home care services provided to the **relatives** of any **insured**;
 - b. occasional or part time home care services provided by any **insured** under 21 years of age.
14. Arising out of the ownership, maintenance, use, operation, entrustment to others, supervision, loading or unloading of any **recreational vehicle** owned by, rented to or controlled by the **insured**, while away from the **residence premises** owned by, rented to or controlled by the **insured**. This exclusion does not apply if such **damages** are covered by **underlying insurance** scheduled in the Declarations of this policy.
15. Arising out of the ownership, maintenance, use, operation, entrustment to others, supervision, loading or unloading of any **auto** owned by an **insured**. This exclusion does not apply if such **damages** are covered by **underlying insurance** scheduled in the Declarations of this policy.
16. Arising out of the ownership of any dog by any **insured**, unless such **damages** are covered by **underlying insurance** scheduled in the Declarations of this policy.

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17. Arising out of corporal punishment, molestation or abuse of any person by any:
 - a. **insured**;
 - b. employee of any **insured**; or
 - c. person performing volunteer services by or on behalf of any **insured**, person for hire, or any other person who is acting or who appears to be acting on behalf of any **insured**.
18. Arising from any **insured's** sponsorship of or participation by any **insured** in any organized or agreed upon racing or speed contest or demonstration involving any **auto**, **watercraft**, or **aircraft**, or in practice or preparation for any such contest or demonstration.

This exclusion does not apply to sail boats if such **damages** are covered by the **underlying insurance** scheduled in the Declarations of this policy
19. Arising out of statutorily imposed vicarious parental liability for the actions of a child or minor.
20. Arising from your share of a loss assessment charged against you as a member of an association, corporation or community of property owners.
21. Arising from any **pollutants** found in the atmosphere, or in surface or subsurface land or water, whether or not owned, leased or otherwise controlled by the **insured**.
22. Resulting from lead or lead poisoning, including:
 - a. **bodily injury, property damage or personal injury** arising out of, resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
 - b. any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
 - c. any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a.) or (b.) above; or
 - d. any obligation to share **damages** with or repay someone else who must pay **damages** in connection with parts (a.), (b.) or (c.) above.Lead poisoning includes, but is not limited to:
 - a. sudden, accidental, deliberate, or repeated exposure to lead or products, objects or substances comprised of or containing lead; or
 - b. ingestion of lead in any form or substance, whether accidental or deliberate, but this does not apply to the unintentional discharge of a firearm.
23. Arising from liability:
 - a. payable to any **insured**; or
 - b. whenever **damages** are due directly or indirectly to an **insured**.
24. Whether direct or consequential, which result from the sale or transfer of **real property**, including but not limited to the following:
 - a. known or unknown property or structural defects;
 - b. known or hidden defects in the plumbing, heating, and electrical systems;
 - c. known or unknown soil conditions or drainage problems; or
 - d. concealment or misrepresentation of any known defects.
25. For **personal injury** arising out of oral or written publication of material when a willful violation of a penal statute or ordinance has been committed by or with the consent of the **insured**.
26. Caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of

any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

27. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a controlled substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. This exclusion does not apply to legitimate use of prescription drugs by a person following the orders of a licensed physician.
28. Arising out of the ownership, maintenance, use or entrustment of any **real property** owned by, rented to or controlled by the **insured**. This exclusion does not apply if such **real property** is covered by underlying insurance described in the Declarations of this policy.
29. Which are punitive or exemplary.

PART IV - LIMITS OF LIABILITY

Regardless of the number of **insureds**, claims or injured persons, the most we will pay as **damages** resulting from one **occurrence** is the amount in Item 4 of the Declarations, subject to the following:

1. If **underlying insurance** and this policy cover an **occurrence** we will pay only those **damages** which exceed the total applicable limits of **underlying insurance**.
2. If **underlying insurance** terminates or its liability limits are less than shown in Item 3 of the Declarations, we pay only those **damages** we would have paid if **underlying insurance** had not terminated or its limits lessened.
3. If an underlying insurer does not pay damages because of bankruptcy or insolvency or the **insured's** failure to comply with a provision of **underlying insurance** after an **occurrence**, we will pay only those **damages** which we would have paid if the **underlying insurance** had remained in full force and effect at limits as scheduled in the Declarations of this policy.
4. If **underlying insurance** does not cover **damages** covered by this policy, we will pay **damages** which exceed the **retained limit** in Item 4 of the Declarations.

PART V - SEVERABILITY OF INTERESTS

This insurance applies separately to each person insured. This provision shall not increase our Limit of Liability for one **occurrence** as described in Item 4 of the Declarations.

PART VI - DEFENSE OF SUITS NOT COVERED BY OTHER INSURANCE

If a claim is made or suit is brought for **damages** excluded from coverage under this policy, we have no obligation to defend such claim or suit. If **underlying insurance** does not cover **damages** covered by this policy, we will:

1. At our expense and with attorneys of our choice, defend the **insured** against any covered claim or suit. We are not obligated to pay defense costs, including attorneys' fees for any claim or suit where the **insured** selects an attorney not chosen by us because there is a dispute between the **insured** and us over coverage. We may investigate and settle any claim or suit at our sole discretion. Our obligation to defend any claim or suit ends once we have paid our limit of liability described in Item 4 of the Declarations.
2. Pay costs taxed against the **insured** in a suit we defend.
3. Pay interest accruing after a judgment is entered in a suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our liability limit.
4. Pay premiums on bonds required in a suit we defend for bond amounts not in excess of our Limit of Liability. We pay the cost

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of bail bonds required of an **insured** because of an accident or a traffic law violation. We are not required to apply for or furnish bonds.

All amounts incurred in items 1. through 4. immediately preceding, except settlement of claims or suits for **damages**, are in addition to our Limit of Liability. You shall promptly repay us those **damages** we paid within the **retained limit**.

If we are prevented by law or otherwise from carrying out this provision, we will pay amounts incurred with our written consent.

PART VII - CONDITIONS

1. Duties After **Occurrence**, Claim or Suit.

- a. if an **occurrence** is likely to involve coverage under this policy, you shall promptly advise us or our agent of:
 - (1) how, when and where the **occurrence** took place; and
 - (2) names and addresses of the injured and all witnesses.
- b. if information regarding a claim is received or if legal action is begun, the **insured** must immediately send us a copy of every notice, demand, report, summons or other legal papers.
- c. the **insured** must cooperate with us in the investigation, defense and settlement of a claim or suit.
- d. you and any involved **insureds** agree to do all you can to protect any right you or such insureds may have to recover from others. We are entitled to any such recovery up to the amount we have paid for **damages**.

2. Defense; Settlement. Except as provided in Part VI, we are not required to take charge of the investigation, defense or settlement of a claim or suit. We have the right at any time to join you, any **insured** or the underlying insurer in the investigation, defense and settlement of a claim or suit. If the **underlying insurance** limit is paid, we have the option to defend a claim or suit. We may investigate and settle a claim or suit which we feel is appropriate.

3. Appeals. We may appeal a judgment in excess of the applicable **underlying insurance** limit or the **retained limit**. We will pay all costs, taxes, expenses and incidental interest of such appeal if made. Our liability for **damages** does not exceed our liability limit for one **occurrence**, plus the cost and expense of the appeal.

4. Suit Against Us. No action shall be brought against us:

- a. unless you and any involved **insureds** have complied with the policy provisions; and
- b. until an **insured's** obligation has been determined by trial and final judgment or by agreement signed by us.

No one shall have a right to join us as a party to an action against any **insured**.

5. Other Insurance. This insurance is excess over all other applicable insurance (except insurance purchased to apply in excess of the sum of the **underlying insurance** limit and our liability limit), covering the same loss.

6. Our Right to Recover Payment. If payment is made by us, we may join you, any involved **insured** and any **underlying insurer** in exercising the insured's right of recovery against any party.

The **insured** shall not prejudice such rights after loss. Recoveries shall be distributed in the following order to:

- a. repay the parties (including you) who paid in excess of our liability limit;
- b. repay us the amount we paid; and
- c. repay the parties (including you) to whom this insurance is excess, if they are entitled to any remainder.

A different distribution of recoveries may be made to settle a

claim or suit if all parties agree.

Reasonable expenses of obtaining recovery shall be divided among all parties in the ratio of their losses for which recovery is made.

7. Assignment. Your rights and duties under this policy shall not be assigned without our written consent.

8. Termination.

a. Cancellation. You may cancel this policy by returning it to us or by notifying us in writing of the cancellation date. We may cancel this policy by notifying you in writing at least 30 days before the cancellation date. If this policy is canceled, you may be due a return premium, to be refunded with the cancellation notice or within a reasonable time after the cancellation date. If you cancel, your return premium will be computed on a short rate basis; if we cancel, premium will be computed on a pro rata basis.

b. Non-renewal. If we choose not to renew this policy, we will notify you in writing at least 30 days before the end of the **policy period**.

c. Our notice may be delivered or mailed to you at the address in the Declarations.

d. Proof of mailing is sufficient proof of notice.

e. If the law in your state specifies other requirements, we will comply with such requirements.

f. Automatic Termination. This policy will automatically terminate at the end of the **policy period** if you or your representative do not accept our offer to renew it. Your failure to pay the required renewal premium as we require means that you have declined our offer.

If other insurance is obtained, any similar insurance afforded under this policy will cease on the effective date of the other insurance.

9. Changes. The terms of this policy may not be changed or **waived** except by endorsement issued by us.

10. Concealment or Fraud. We do not provide coverage for an **insured** who purposely conceals or misrepresents any fact or circumstances material to issuance, continuance or renewal of this insurance.

11. Death. If you or a resident of your household dies, we cover:

a. with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative;

b. the legal representative of the deceased but only with respect to the property of the deceased covered under the policy at the time of death.

12. Maintenance of **underlying insurance**. You will maintain your **underlying insurance** policies in full force with no change to more restrictive limits or conditions. If you fail to comply with this condition, your coverage will continue as if your underlying policies had not been altered. If you acquire an additional **auto**, **watercraft**, or **real property** you must notify us as soon as possible.

PART VIII - RECIPROCAL PROVISIONS

This policy is made and issued in consideration of your premium payment to us. It is also issued in consideration of the power of attorney you signed as part of your application and the information you gave to us on your application. Some of your statements actually become part of the policy which we call "The Declarations." When you signed the power of attorney authority on your application, you authorized the Farmers Underwriters Association to execute interinsurance policies between you and other subscribers.

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Nothing in this policy is intended, or shall be construed, to create either:

- a. A partnership or mutual insurance association; or
- b. Any joint liability.

We may sue, or be sued in our own name, as though we were an individual, if necessary to enforce any claims which arise under this policy. In any suit against us, service of process shall be upon the Farmers Underwriters Association, Attorney-in-Fact.

Membership fees which you pay are not part of the premium. They are fully earned when you are granted membership and coverage is effective. They are not returnable. However, they may be applied as a credit to membership required of you for other insurance which we agree to write.

We will hold the Annual Meeting of the members of the Exchange at our Home Office at Los Angeles, California, on the first Monday following the 15th day of March of each year at 2:00 p.m. The Board of Governors may elect to change the time and place of the meeting. If they do so, you will be mailed a written or printed notice at your last known address at least ten days before such a time. Otherwise, no notice will be sent to you.

The Board of Governors shall be chosen by subscribers from among yourselves. This will take place at the annual meeting or at any special meeting which is held for that purpose. The Board of Governors shall have full power and authority to establish such rules and regulations for our management as are not inconsistent with the subscribers' agreements.

Your premium for this policy and all payment made for its continuance shall be payable to us at our Home Office or such location named by us in your premium notice. The funds which you pay shall be placed to your credit on our records. They will be applied to the payment of your proportion of losses and expenses and to the establishment of reserves and general surplus. The Board of Governors or its Executive Committee has the authority to deposit, withdraw, invest and reinvest such funds. You agree that any amount which the Board of Governors allocates to our surplus fund may be retained by us. Also, after provision is made for all of our liabilities, it may be applied to any purpose deemed proper and advantageous to you and other policyholders.

This policy is non-assessable.

PART IX - SPECIAL STATE PROVISIONS

If you live in a state shown below, this policy is subject to the provisions applying to your state.

Illinois

Under Part VII, Condition 8 Termination item c. is deleted and replaced by the following:

- c. Our notice will be mailed to you at the address in the Declarations.

Under Part III - Exclusions, delete Exclusion 29.

North Dakota

The time of inception of this policy as shown on the Declarations Page and any schedule or endorsement attached shall be 12:01 a.m. Standard Time - on the day coverage begins, but not prior to time applied for, and the time of expiration shall be 12:01 a.m. Standard Time the day following the day of expiration.

Oregon

Under Part VII - Conditions, item 10. Concealment or Fraud is deleted and replaced by the following:

Concealment, Fraud, Application. This policy is void if any *insured* has willfully concealed or misrepresented any material fact or

circumstance relating to this insurance, before or after the loss. All statements made by you or on your behalf, in the absence of Fraud, shall be considered as representations and not warranties. Any such statement that arises from an error shall not be used as a defense of a claim under this policy unless:

1. the statement is on a written application, and
2. a copy of the application is attached to this policy when issued.

The representation must be material and we relied upon it.

When the application that you signed is attached, it becomes a part of the policy.

Texas

1. Part VI - Defense of Suits Not Covered By Other Insurance is amended as follows:

a. Item 1 shall read:

"We may defend you against a claim or suit for **damages**. We may investigate and settle a claim or suit we feel is appropriate."

b. Paragraph 2 of item 4 shall read:

"We pay amounts incurred, except settlement of claims or suits for **damages** in addition to our liability limit. You shall promptly repay us for damages we paid you within the **retained limit**."

2. Under Part VI

The following supplementary payments shall be included in the policy:

- (1) all expenses incurred by us;
- (2) the cost of bonds to release attachments;
- (3) prejudgment interest; and
- (4) reasonable expenses incurred by the insured at the insurer's request, including actual loss of earnings up to \$100 a day.

3. Under Part VII

Condition 2 shall read:

"2. Defense, Settlement. We are not required to take charge of the investigation, defense or settlement of a claim or suit. We have the right at any time to join you or the **underlying insurance** insurers in the investigation, defense and settlement of a claim or suit. If the **underlying insurance** limit is paid, we have the option to defend a claim or suit. We may investigate and settle a claim or suit which we feel is appropriate."

Utah

Under Part III - Exclusions, item 6, in order to comply with Utah state law, the definition for personal watercraft is amended to include crafts under 16 feet in length.

Wyoming

Under Part IV - Limits of Liability, item 3 is deleted and replaced by the following:

3. If an underlying insurer does not pay because of bankruptcy or insolvency or the *insured's* failure to comply with a provision of **underlying insurance** after an *occurrence*, we will pay **damages** which exceed the **retained limits** in Item 4 of the Declarations. The second sentence of item 3 and the words "not in excess of our limit of liability" in item 4 of Part VI, Defense of Suits Not Covered By Other Insurance, are deleted from this policy. The last sentence of item 3 Appeals under Part VII, Conditions is deleted from this policy.

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▼ ▼
ATTACH YOUR DECLARATION SHEET AND ENDORSEMENTS HERE

SAMPLE

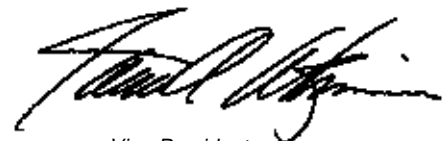
This policy shall not be effective unless countersigned on the Declarations Page by a duly authorized representative of the Company named on the Declarations Page.

The Company named on the Declarations has caused this policy to be signed by the officers shown below:

FARMERS INSURANCE EXCHANGE
by Farmers Underwriters Association,
Attorney-in-Fact



Secretary



Vice-President

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11. Pollutants		27. Drugs	
12. Property Damage		28. Real Property	
13. Real Property		29. Punitive or Exemplary Damages	
14. Recreational Vehicle		PART IV - LIMITS OF LIABILITY	3
15. Relatives		PART V - SEVERABILITY OF INTERESTS	3
16. Residence Premises		PART VI - DEFENSE OF SUITS NOT COVERED BY OTHER INSURANCE	3
17. Retained Limit		PART VII - CONDITIONS	4
18. Underlying Insurance		1. Duties After Occurrence, Claim or Suit	
19. Watercraft		2. Defense; Settlement	
PART II - COVERAGE	2	3. Appeals	
PART III - EXCLUSIONS	2	4. Suit Against Us	
1. Workers' Compensation		5. Other Insurance	
2. Aircraft		6. Our Right to Recover Payment	
3. Professional Liability		7. Assignment	
4. Intentional Acts		8. Termination	
5. Business Property/ Business Pursuits		9. Changes	
6. Watercraft		10. Concealment or Fraud	
7. Damage to Property		11. Death	
8. Nuclear		12. Maintenance of Underlying Insurance	
9. Directors and Officers		PART VIII - RECIPROCAL PROVISIONS	4
10. Discrimination		PART IX - SPECIAL STATE PROVISIONS	5
11. No-Fault/UM or UIM			
12. Communicable Disease			
13. Home Care Services			
14. Recreational Vehicles			

This policy is a legal contract between you (the policyholder) and us (the Company). It contains certain EXCLUSIONS. READ YOUR POLICY CAREFULLY.